



# **Kaua'i County Housing Agency**

**Fiscal Year 2021 Annual Report**

**July 1, 2020 – June 30, 2021**

**Adam Roversi  
Director**

## **KAUA'I COUNTY HOUSING AGENCY**

### **I. MISSION STATEMENT**

To provide greater opportunities for safe, decent, and quality housing and to promote and sustain community development for the people of Kaua'i.

### **II. DEPARTMENT/DIVISION GOALS**

- A. Develop and preserve affordable housing inventory;
- B. Expand the Housing Choice Voucher (HCV) Rental Assistance Program and fully utilize all available federal funding;
- C. Support Community Economic Development

### **III. PROGRAM DESCRIPTIONS**

The Kaua'i County Housing Agency (KCHA) is comprised of Administration and two primary divisions, the Housing and Community Development Division and the HCV Rental Assistance Division.

#### **ADMINISTRATION**

The HCHA administration directs and oversees all departmental programs and activities, implements federal program budgets, provides accounting services, and manages personnel. It also researches and applies for grants from various federal and state agencies, and private foundations. The agency works closely with other government agencies, for-profit/non-profit organizations, and the public in planning and implementing programs aimed to achieving KCHA's goals.

#### **HOUSING AND COMMUNITY DEVELOPMENT DIVISION**

The Housing & Community Development Program is the responsibility of the Development Division. Activities in this program include planning and developing affordable housing with government resources on its own or in partnership with for-profit or nonprofit housing developers, assessing and monitoring affordable housing requirements with private developers, monitoring restrictions on affordable projects, providing research and community education regarding fair housing laws, home-buyer counseling, assessing housing needs, compiling and updating the County's Consolidated Plan, loaning funds to first-time home-buyers to purchase housing, coordinating various homeless shelter and assistance programs with social welfare providers, implementing the inclusionary zoning provisions of the Country Housing Policy, and other related state

and federal housing programs. Additionally, the Housing & Community Development Program is responsible for administering the HOME Investment Partnerships Program (HOME), the Community Development Block Grant (CDBG) Program, and the Neighborhood Stabilization Program (NSP).

**HOUSING CHOICE VOUCHER RENTAL ASSISTANCE DIVISION**

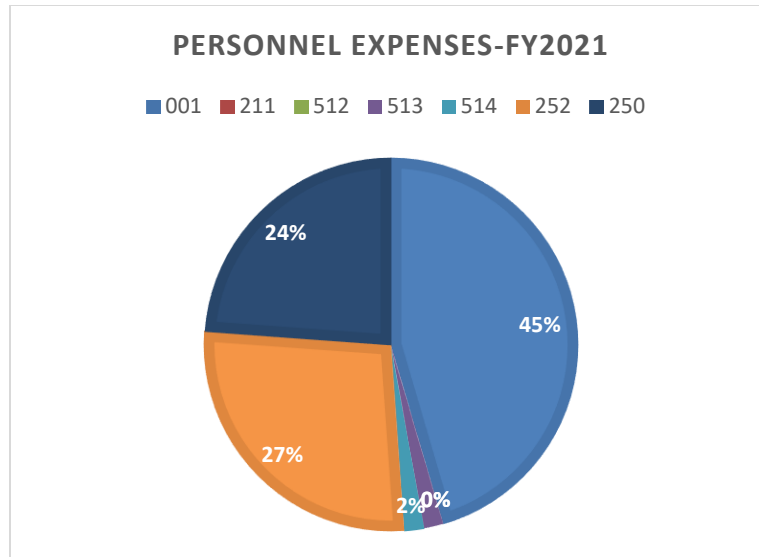
The Housing Choice Voucher Rental Assistance Division administers the HUD Section 8 Housing Choice Voucher (HCV) Program, where extremely low and very-low income households obtain help to pay their rent. In addition, the Division also administers the Family Self Sufficiency Program, where volunteer HCV clients are counseled to help them become independent from government assistance.

**IV. BUDGET**

In FY21, the Housing Agency had an overall budget of just over \$43.5 million with expenses and encumbrances of \$23.8 million. Notably, the majority of Agency funding comes from non-County sources such as federal grant funding and existing project income.

<b>Account</b>	<b>Budget</b>	<b>Expenses</b>
General fund - 001	1,598,231	1,301,457
Housing Development Revolving Fund - 211	1,164,284	91,314
Housing Development Fund - 512	5,811,201	2,194,403
Kalepa Village - 513	1,605,410	736,368
Paanau - 514	1,199,985	415,700
Section 8 - 252	12,306,510	11,636,307
HOME/CDBG/HTF/FSS - 250	19,908,745	7,426,719
<b>Total</b>	<b>43,594,366</b>	<b>23,802,268</b>

As with overall Agency funding, the majority of funding for the Agency’s personnel expenses also came from non-County sources. With a total of \$2.48 million in personnel expenses, 45% or \$1.12 million were paid from the County general fund. The remaining 55% or \$1.35 million in personnel costs were paid through program income and federal grants.



**V. ACCOMPLISHMENTS/EVALUATION**

The Agency’s FY21 Strategic Plan guides the Agency’s specific annual goals and objectives.

**A. Housing Choice Voucher Rental Assistance Division**

Goal #1: Expend 100% of the HCV Program’s Annual Federal Assistance Budget.

In FY21 Housing Agency received and successfully administered \$10.4 million from HUD to provide rental assistance payments to extremely low and very low-income families on Kaua’i. This is an increase of over \$3.2 million from FY20. The agency provided an average daily assistance to 732 families in the first half of the year and increased average daily assistance to 865 families and provided necessary outreach support to families in need of additional support services.

Goal #2: Issue 100 new HCV vouchers.

In FY 2021, the total number of applicants that applied to the year’s waitlist was 2425. From these applicants, 1492 families were pulled from the waitlist. 554 applicants did not respond to the waitlist pull, 261 applicants were deemed ineligible, and 677 applicants were issued vouchers. Of the 677 applicants who received a voucher, 364 vouchers expired before use, 84 vouchers carried over to the next fiscal year, and 229 families successfully entered into long-term leases.

In addition to the regular HCV assistance program, the Agency continued to administer the relatively new Project Based Voucher program that attaches rental assistance payments to a specific dwelling unit. Unlike the regular HCV program, which requires voucher holders to search on their own for a rental from a limited pool of available units,

the PBV program promises to establish a relatively permanent pool of housing units for income qualified program participants.

At the end of FY20, the PBV program had 41 units under contract at the new Koa'e affordable housing project in Kōloa and the Waimea Huakai Project, and 13 units pending lease-up and contract at the new Pua Loke Street project in Līhu'e. The first of these units at Pua Loke will begin leasing to qualified program participants in Oct./Nov. of 2021.

Goal #3: Maintain and Expand the Family Self-Sufficiency Program

Due to the COVID-19 pandemic, the FSS program continued to be creative and flexible in providing services to its participants. While it has been difficult to provide in-person services due to site restrictions and limited contact, the FSS program assisted its participants in actively pursuing or participating in available resources and local agencies to successfully meet their goals to complete the 5-year program.

Despite the COVID-19 restrictions, FSS staff utilized resources for our participating families who needed assistance or referrals to employment services, homeownership education, financial education, budgeting, and small business development resources.

In FY21, 33 households earned escrow savings and 25 households increased their earned income.

By the end of the year, 12 FSS participating families successfully completed the 5-year program and received a combined total of \$157,381 in escrow payments. Three of the 12 families also exceeded the income eligibility requirements and no longer receive Housing Choice Voucher assistance. Four families did not complete the program and forfeited their combined escrow earnings of \$6,790.

B. Housing and Community Development Division

Goal #1: Construct 125 New Affordable Housing Units Per Year

Although development projects by their nature span numerous fiscal years, FY21 saw the completion of 79 new affordable housing units, with another 77 under construction.

- In Līhu'e the County completed the 30-unit Kealuala Supportive Housing Project aimed at providing long-term supportive housing and wrap around social services for families experiencing homelessness.
- Construction of Habitat for Humanity's 'Ele'ele Iluna Phase II, Increment B, commenced in FY20. In FY21 14 homes were completed with County financial assistance. Moving forward, another 23 homes are expected to be completed in FY22.
- The Ahe Group, funded in part by the County, completed construction of the 34-unit Waimea Huakai Affordable Housing Rental Project on Habitat for Humanity's property in Waimea.

- In FY21 work commenced on the 54-Unit Pua Loke Street Rental project with completion scheduled for Oct./Nov. of 2021.
- Infrastructure work on Phase I of the Lima Ola affordable housing subdivision began in FY21 and is scheduled for completion in January of 2022. This will support the near-term construction of 155 new homes.

Goal #2: Preserve Affordable Housing Inventory

The Agency worked to preserve existing housing through rehabilitation work at Kalepa Village. A long-term project to replace the flooring in 20 first floor units in Phase IV concluded at a total cost of \$203,743.

We continued to expand our island-wide pool of limited appreciation leasehold properties with three-single family home acquisitions and rehabilitations in FY21, bringing our total property inventory to 33 single-family leasehold homes.

Goal #3: Generate \$25 million in economic investment

Though not entirely realized just in FY21, the following currently active development projects are estimated to generate more than \$50.2 million in economic activity.

Kealaula Westside	\$4.2 million
Pua Loke Affordable Housing	\$28 million
<u>Lima Ola Phase I Infrastructure</u>	<u>\$18 million</u>
Total	\$50.2 million

C. Homeless Services

Goal #1: Build a Second Supportive Housing Project on the Kealaula Model.

In FY21 we opened Kealaula on Pua Loke Street. This project is Kaua'i's first supportive housing project designed specifically to serve the homeless population. The project consists of 30 1-bedroom and studio units, which were fully occupied in January of 2021 by just under seventy former homeless residents. Tenants receive an array of onsite social service designed to suit their particular needs and circumstances ranging from financial counseling, to continuing education, substance abuse treatment, and nutritional education. We have secured \$4.2 million to build a second supportive housing project based on the Kealaula model and are currently working to secure a project site on the westside.

Goal #2: Support Homeless Solutions via new Homeless Coordinator

In FY21 our Homeless Coordinator organized extensive cooperative outreach at five beach parks that the administration identified as "Shelter in Place" locations for the homeless community during the Covid-19 Emergency. These outreach events brought together dozens of local non-profit organizations to provide direct social service to these specially permitted communities including medical care, eye exams, registrations for housing

opportunities, and assistance with procuring health insurance and other federal and state benefits.

Goal #3: Expand Tenant Based Rental Assistance Program for Homeless Families.

The Tenant Based Rental Assistance Program (TBRA) is a rental voucher program like our HCV Program, but it is designed specifically to serve the homeless population and is funded through a separate federal HOME grant program. We currently have ten households in the TBRA program and are working to lease-up an additional ten households, which is the program's current financial capacity limit.

Parallel to the TBRA program we launched a separate Hilina'i rental voucher program specifically to assist in housing homeless individuals who previously occupied the County's Shelter in Place locations in designated County beach parks. This \$500,000 cooperative program between the Kaua'i Police Department, Housing Agency, and Women In Need provides a low barrier source of assistance to try and house some of the most desperate in our community.

D. Administration

Goal #1: Increase Public Awareness of the Housing Agency and its Services

In FY21 we have worked with the Public Information Office to produce frequent press releases regarding Agency programs such as Emergency Rental Assistance, Advisories on Eviction and Foreclosure moratoriums, and Homeless Outreach activities and resources.

We have drafted editorials on Housing issues for the Garden Island newspaper, participated in numerous public meeting with Neighborhood Associations, the Līhu'e Business Association, Kaua'i Board of Realtors, and nonprofit advocacy groups.

We are also working to more regularly update the Housing Agency website to ensure that it provides relevant, up to date, and useful public information.

Goal #2: Support Legislative Policies that Support Affordable Housing

The Housing Agency accomplished a long-term goal of presenting amendments to the current County Housing Policy to Council. The Agency's amendments, sponsored by Housing Committee Chair Kualī'i and Council Chair Kaneshiro were introduced in January of 2020 and passed and enacted in FY21.

Goal #3: Successfully Administer New Emergency Covid-19 Related Federal Programs

Beyond our regular programs the Covid-19 emergency has given rise to numerous special federal programs that have fallen under the purview of the Housing Agency.

- In April of 2020, we started an Emergency Housing and Utility Assistance Program using a special \$413,000 allocation of Community Development Block Grant funding.
- Beginning in May of 2021, we began administering a much larger \$22 million Emergency Rental and Utility Assistance Program funded by the American Rescue Plan.
- Additionally, we began working to implement a federally funded landlord tenant mediation program and \$3 million Homeowners Assistance Program to assist mortgage holders financially impacted by the Covid-19 emergency.